



SUPPLEMENTAL FORMS FOR MEMBERS OF THE CALIFORNIA NATIONAL GUARD AND U.S. MILITARY RESERVES

This package contains supplemental forms and instructions for members of the California National Guard and U.S. Military Reserves planning to buy or build a home using CalVet financing. The contents of this package are unnecessary if your prior service otherwise qualifies you for CalVet. In addition to this package, you will need to download the [CalVet Home Loans Application Forms](#) and the [CalVet Home Loans Application Instructions](#). If you need a construction loan to build a new home, you will also need to download our [Construction Loan Package](#).

Before you begin:

Choose the home or home site you wish to purchase and arrange a purchase agreement. Carefully read the material on the CalVet Home Loan Program on our web site. If you have questions, feel free to contact the nearest CalVet District Office. A list of District Offices and the areas they cover is available on our web site at www.cdva.ca.gov/calvet/offices.asp.

Optional, but highly recommended: Download and fill out our [Prequalification Form](#), a FREE service of CalVet. This information will allow us to estimate whether you meet the eligibility qualifications for a loan. Send the completed form to the CalVet District Office for the area where you plan to build your home.

Please read all of the forms and instructions before submitting your application.

Contents of this package:

- **Form AP-2: Purchaser's Affidavit**

This form contains information that you must provide Cal-Vet as the purchaser of a home.
(Includes separate instructions page)

- **Form AP-3: Seller's Affidavit**

This form contains information that you must provide Cal-Vet from the person(s) selling a home to you.
(Includes separate instructions page)

CALIFORNIA DEPARTMENT OF VETERANS AFFAIRS
Division of Farm and Home Purchases

PURCHASER'S AFFIDAVIT
(Cal-Vet Loan Contract)

*As an applicant(s) for a Cal-Vet loan, you must read this affidavit carefully, **INCLUDING THE INSTRUCTIONS ON THE REVERSE SIDE**, and complete the affidavit (print in ink or type) and sign it under penalty of perjury. By doing so, you certify and declare that all statements in it are true. (See instructions on reverse)*

Purchaser's name _____ Purchaser's name _____

I (We) CERTIFY AND DECLARE THAT:

1. The home being purchased is intended for use as my (our) principal residence and will be occupied as such within 60 days after the Cal-Vet loan is funded and will be maintained as my (our) principal residence for the duration of the Cal-Vet loan. I (We) will not use the home as a recreational property, or as a vacation or "weekend" home. I (We) do not intend to and have not entered into any agreement to rent or sell the home.
2. I (We) will not allow the Cal-Vet loan to be assumed by someone else without the prior written consent of the California Department of Veterans Affairs.
3. I (We) will not use the home in a business or trade or for any other commercial purpose, or as an investment property.
4. The home is ☐ is not ☐ permanently attached to the lot.
5. I (We) do not have and have not had previous financing for the house, whether paid in full or not, except for a construction loan or other temporary interim financing with a term of 24 months or less.
6. I (We) have not made and will not make an agreement to purchase the department's bonds, directly or indirectly, in an amount related to the amount of the Cal-Vet loan.
7. The land being purchased with the home is required to maintain the basic livability of the residence, and will not provide a source of income.
8. Check all that apply; cross out any statement that does not apply:
 - ☐ At least one of the Purchaser's whose signature appears below served in the active military, naval, or air service, and has been discharged or released therefrom under conditions other than dishonorable.
 - ☐ I (We) have not previously had a mortgage loan for my (our) personal residence which was financed by state or local tax-exempt bonds pursuant to a program specifically for veterans which was enacted into law by the Tax Relief and Health Care Act of 2006.
 - ☐ I (We) have not had an ownership interest in a home used as my (our) principal residence during the three years immediately prior to the closing of the Cal-Vet loan.
9. I (We) ☐ have filed ☐ have not filed and were not required to file federal income tax returns for the three years preceding the loan.
10. The number of full time members of the household who will reside in the property, including all children anticipated to reside in the residence at least 50% of the time, and including any live-in attendants is _____.
11. The home to be financed is located at _____
12. The "acquisition cost" of the home is \$ _____
13. My (our) "annualized gross income" is \$ _____

I (we) hereby certify and declare under penalty of perjury under the laws of the United States and the State of California that the foregoing is true and correct.

Executed this _____ day of _____, 20____, in the City of _____,
County of _____, State of California.

Signed: _____
Purchaser

Signed: _____
Purchaser

PURCHASER'S AFFIDAVIT
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Instructions

- #8. You must have been discharged from active duty. If you are currently on active duty but were previously discharged and subsequently re-entered active duty, check this box.

The Tax Relief and Health Care Act of 2006 provides for the use of QMB Revenue Bonds for veterans who are not first time homebuyers. Loans under this act were not offered prior to 2007.

The term "*present ownership interest*" includes, in addition to outright ownership, the following types of interests:

- a. A joint tenancy, tenancy in common, tenancy by the entirety, or community property interest.
- b. The interest of a tenant-shareholder in a stock cooperative or similar interest.
- c. A Life Estate
- d. An interest under an installment land contract granting current possession of the house with legal title to follow at a later date.
- e. Any of the above interests, including outright ownership, held in trust for you.

Present ownership interest **does not** include the following types of interest:

- a. A remainder interest (an interest you would have only upon termination of an interest granted by someone else to another person).
- b. A lease without and option to purchase
- c. A mere expectancy to inherit an interest.
- d. An interest created as the purchaser in a marketing contract (any interest you might acquire upon the signing of a real estate deposit receipt or similar contract, where you have not completed the purchase).
- e. An interest in any property not used as your personal residence during the previous three years.

- #9 If your loan will be funded from funds restricted to "first time homebuyers," federal income tax returns will be used to confirm that you have not taken an income tax deduction for mortgage interest or property taxes on a home used as your personal residence in the past three years.

- #10 This information is necessary to determine if you qualify under the small family income limits or the large family income limits. For this purpose, the number of "*full time members of the household who will reside in the property*" is not the same as the number of dependents for income tax purposes, and may include individuals who will reside in the home and may have separate incomes that cannot be included as qualifying income, and do not have to be included in "*annualized gross income*". "*Full time members of the household*" includes the following:
- a. All adults who will reside in the home.
 - b. Children, including children expected to be born to pregnant women, children in the process of being adopted, children whose custody is being obtained by an adult member of the household, children subject to a joint custody agreement who will live in the home at least 50% of the time, and children who are temporarily absent due to a custody order.
 - c. Live-in attendants

"*Full time members of the household*" does not include the following:

- a. Adult children on active military duty
- b. Permanently institutionalized family members
- c. Visitors

- #12 "*Acquisition Cost*" includes the following costs:
- a. All amounts paid in cash or in any other way as the purchase price of the house.
 - b. If the house is incomplete, the reasonable cost of completing the house.
 - c. Any additional amounts paid for fixtures (items permanently affixed to the house), including light fixtures and wall to wall carpeting.

"*Acquisition Cost*" does not include the following costs:

- a. Settlement costs such as title and transfer costs, title insurance premiums, and survey fees.
- b. Financing costs such as credit report fees, legal fees, appraisal expenses, and funding fees.
- c. The cost of the lot upon which you are building your home if you have owned the lot for at least two years prior to the start of construction.
- d. The amount of any lien or assessment to which the home is subject.

- #13 "*Annualized gross income*" is the gross monthly income multiplied by 12, of those individuals who will both reside in the property and be liable on the loan. It includes:
- a. Gross pay, overtime pay, bonuses, military allowances and income from part-time employment.
 - b. Pension checks and US Department of Veterans Affairs compensation.
 - c. Dividends, interest, net rental income, and any additional income from business activities or investments.
 - d. Other income such as alimony, child support, public assistance, sick pay, social security benefits, unemployment compensation, and income from trusts.

CALIFORNIA DEPARTMENT OF VETERANS AFFAIRS

Division of Farm and Home Purchases

SELLER'S AFFIDAVIT (Cal-Vet Loan Contract)

The purpose of this affidavit is to determine the acquisition cost of the home being purchased with Cal-Vet financing. Please read this affidavit carefully, including the INSTRUCTIONS FOR SELLER'S AFFIDAVIT printed on the reverse side. Fill in (print in ink or type) the appropriate section of this affidavit (1, 2, or 3), and sign the affidavit under penalty of perjury. By doing so, you are certifying and declaring that all the statements in it are true.

I CERTIFY AND DECLARE THAT:

(Check appropriate box)

☐

1. A. **I am the seller(s) of the house** located at _____, Address _____
that is being purchased with Cal-Vet financing.
- B. I am selling the house to _____, Purchaser _____ and _____, Purchaser _____.
- C. The total "acquisition cost" of the house is \$ _____. (See instructions)

☐

2. A. **I am the construction / interim lender for the house** located at _____, Address _____
_____, which is being purchased with Cal-Vet financing.
- B. I have lent interim funds to purchase the above house to _____, Purchaser _____ and _____, Purchaser _____.
- C. The total "acquisition cost" of the house is \$ _____. (See instructions)

☐

3. A. **I am the Cal-Vet loan applicant (and spouse).** I (We), _____, Purchaser _____
and _____, Purchaser _____, own the land located at _____, Address _____
_____, on which I (we) are building a house which is to be
financed with a Cal-Vet loan upon completion.
- B. The total "acquisition cost" of the house is \$ _____. (See instructions)

I (we) hereby certify and declare under penalty of perjury under the laws of the United States and the State of California that the foregoing is true and correct.

Executed this _____ day of _____, 200____, in the City of _____,
County of _____, State of California.

Signed: _____
Seller Title (if applicable)

Signed: _____
Seller Title (if applicable)

**SELLER'S AFFIDAVIT
(Cal-Vet Loan Contract)**

Instructions

1. Decide which category best describes your role in this transaction; seller, interim or construction lender, or loan applicant/land owner. Check the appropriate box (either 1, 2, or 3) and then complete the information in that section only.
2. Calculate and state the "acquisition cost" of the house being sold to the Cal-Vet loan applicant. If you are the loan applicant and are having a home constructed on land that you own enter the cost of the house being built.

*"Acquisition cost" **includes** the following costs:*

- a. All amounts paid, in cash or in any other way, as the purchase price of the house.
- b. If the house is incomplete, the reasonable cost of completing the house.
- c. Any additional amounts paid for fixtures, such as light fixtures, curtain rods, carpeting, and similar items permanently installed in the property.

*"Acquisition cost" **does not** include the following costs:*

- a. Settlement costs, such as title and transfer costs, title insurance premiums, and survey fees.
- b. Financing costs, such as credit report fees, legal fees, appraisal expenses and "points" which are paid by the loan applicant.
- c. The value of work done by the loan applicant and family in completing the house.
- d. The cost of the lot upon which the house is being built if the loan applicant and/or spouse has owned the lot at least two years prior to the start of construction.

3. Date and sign the affidavit. If you are signing as other than the seller, enter your title (e.g. Loan Officer, applicant).